BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matters of	ORDER
NATION MOTOR CLUB, INC., D.B.A. NATION SAFE DRIVERS,	File No's: DISP-2007-00860
FRANK MENNELLA,	DISP-2006-00274
MICHAEL MENNELLA,	DISP-2006-00276
ANDREW SMITH,	DISP-2007-0097
HOWARD GOLDFARB,	DISP-2007-0098
AND	
MICHAEL WIENER,	DISP-2007-0099
Respondents.	

WHEREAS:

Respondents, in the attached Special Notice of Defense, admitted that grounds exist for, and stipulated to the entry of, this Order.

Now, therefore, IT IS HEREBY ORDERED, as follows.

The application of Respondent Nation Motor Club for an unrestricted vehicle service contract provider license is denied.

There be issued to Respondent Nation Motor Club a restricted vehicle service contract provider license, pursuant to the provisions of California Insurance Code section 1742, and subject to the conditions and restrictions contained within the Special Notice of Defense.

Respondent shall administer service contract claims in a prompt, fair and equitable manner, in accordance with the service contract terms, and pursuant to the standard set forth in section 12850 of the California Insurance Code. Respondent shall comply with section

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790.03(h) and any regulations that recite section 790.03(h) as reference, including but not limited to 10 C.C.R. § 2695.1 *et seq.* For purposes of such compliance, the term "insurance policy" or "policy" as used in section 790.03(h) and any regulation that recites section 790.03(h) as reference shall include vehicle service contracts.

Respondents shall, in accordance with the terms recited in the Special Notice of Defense, pay $1,000,000 (one million dollars), jointly and severally, as an administrative forfeiture of profits, and $5,000 to reimburse the Commissioner for his cost of investigating and prosecuting this matter.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this 30th day of JUNE , 2008.

STEVE POIZNER
Insurance Commissioner

By
Jose Aguilar
Assistant Chief Counsel

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